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May 10, 2013

TO: Miranda Paster, Office of the City Clerk

FROM: Kerry Morrison, Executive Director, HPOA

SUBJECT: First Quarter Report: January 1, 2013 through March 31, 2013

As is required in our Agreement with the City of Los Angeles, I am submitting our First Quarter Report to summarize key activities of the Hollywood Entertainment District.

## I. Operational Issues

- The HPOA/CHC change order for the 2013 year was approved, with no change to the monthly compensation, at the January 17, 2013 meeting.
- Lee Rierson announced at the February meeting that he had to resign his board seat, as his employment would take him outside of the BID. President Stephan extended him the offer to continue as an ex-officio board member through the end of the year. The Nominating Committee was activated to identify a property owner to fill his vacant seat.
- Chief Joe Castro, of LAFD, was appointed by Stephan to fill the other open ex-officio seat.
- Staff is monitoring a lawsuit impacting a BID in downtown LA, which raises questions about how general benefits are defined or calculated, in a BID, as compared to the specific benefits that accrue to an assessment payer. This could be a game-changer with BID formations in the future, and the entire BID community is watching with interest. The CA Downtown Association is putting together a Task Force to address this.

## II. Security

- During this quarter, the security contract was negotiated. One of the new features of the security patrol is a pair of unarmed BID guides that walk along the Boulevard. Before the board was ready to authorize signature, they asked for some clarifying information regarding the level of insurance coverage held by Andrews International

Security and their parent company, US Security. Morrison agreed to put together a conference call between a couple board members, with Andrews and the insurance consultant for the BID, Steve Romine, to ensure all concerns were satisfied. Motion to approve the contract was deferred to April.

- At the January meeting, in collaboration with LAPD, three action items resulted to address night-time security issues. First, a commitment was made to fund a 13-week demonstration project, whereby the BID patrol would stay out later (from 8 to 10 p.m.) three nights a week, and conduct observe and report activities. To accommodate the shift, on those mornings, LAPD's TAB car would patrol at 6 a.m. to accommodate the shift. The second involves dedicating funding to pay for monitoring of the video surveillance cameras (either BID personnel or LAPD). The third involved offering to help LAPD in their efforts to organize club owners to help pay for private security. This 13-week experiment will be analyzed in April or early May.
- A San Francisco Assemblyperson introduced AB-5, known as the Homeless Bill of Rights, which would include homeless individuals as a protected class under state civil rights laws. The board adopted a position at their January 17, 2013 meeting to oppose the bill.
- A stakeholder security survey was distributed in January/ February. The results were shared with the board in March; 56 responses were returned. Perceived problems include panhandling, homeless encampments, urination and graffiti. Nighttime was the time when stakeholders reported the most need for BID security. It was discussed that the suggestion for night-time security arises from a sense of satisfaction that daytime issues are being addressed currently. The survey also covered what stakeholders identified as BID priorities vs. LAPD priorities. It was suggested that a focus group of stakeholders might help to drill down into their issues.
- The following are the first quarter security stats for the Hollywood Entertainment District:

Arrests	Radio Calls	Business Contacts	Citizen Contacts	Homeless Referrals
183	828	2016	3904	157

### III. Streetscape

- Staff continues to meet with representatives of the Walk of Fame Trust, CD-13, the Mayor's office and the Chamber in order to identify potential matching funds for the MTA grant funds (for streetscape improvements and sidewalk repair) since CRA matching funds are no longer available. The Walk of Fame Trust has agreed in concept to help contribute toward matching

funds for both the Crossroads I and II grants, which allow for the removal of Ficus trees along the Walk of Fame and repair of adjacent terrazzo. HPOA retained the services of former CRA employee, Kip Rudd, to assist in the process of securing the funds.

- Staff prepared a grant application due to DWP by January 31<sup>st</sup> which proposes the cleanup of the six major freeway off-ramps leading into Hollywood. The funding available between both the Hollywood Entertainment District and Sunset & Vine BIDs is \$10,000, which would allow Cleanstreet to clean the ramps approximately sixteen times during the year.
- Staff continues to attend occasional Cahuenga Corridor Coalition meetings. The meeting on January 14 focused upon security, maintenance, and possible events along the EaCa alley. The group is well organized and eager to work collectively on a variety of initiatives, including instituting the valet parking ordinance and directing more visitors to the businesses along Cahuenga.
- At the January meeting, the board was advised about the staff's concern about the ongoing amount of trash and illegal dumping that has occurred in the alley that begins at the Security Pacific Bank Building and Sharkey's restaurant, and continues a ½ block east. HPOA staff organized a meeting with the property owners along the alley to discuss various strategies to help control the illegal activities, including gating the alley, however no actions have been taken by the owners to date. HPOA staff has contacted Cleanstreet to request that they begin monitoring the amount of labor dedicated to cleaning the alley to ensure that it does not exceed the Zone A (known as the Alley Assessment) revenue for 2013.
- Staff secured a bid for trimming all 415 trees in Phase I (which includes Hollywood Blvd., Vine St., Highland and Cahuenga) in the HED. Urban Tree Care, the BID's preferred contractor, has held their prices constant for the past three years and submitted permit applications in all four city departments that oversee street trees. Besley met with representatives from DOT on March 20<sup>th</sup> to discuss the requirements for posting No Parking signs throughout the work area, which is a new requirement this year.

#### **IV. Marketing Issues**

- Interviews were conducted in January of five different candidates who had submitted proposals to serve as a media relations consultant for the BID for the next year. At the March 21, 2013 meeting, the board approved a one-year agreement with Haines & Co. They will start April 1.

#### **V. Other**

- Meetings were conducted during this period with the parking district working group (Chamber and BID, in conjunction with Guggenheim Partners) to flesh out a concept that would be a win-

win for the city and for Hollywood. During January, the group met with CAO Miguel Santana's staff and the Mayor's business team.

- Staff was instrumental, through Hollywood 4WRD, in organizing the bi-ennial homeless count for Hollywood's census tracts, on January 31, 2013.
- A candidate's questionnaire for Council District 13 was mailed to all 12 candidates in January, for inclusion in the newsletters and website upon receipt.
- Mayoral Candidate Jan Perry addressed the board at their February 21, 2013 meeting.
- With respect to a city proposal to create an economic development organization, staff wrote a letter to the city to request that if they are moving the City Clerk's special assessment unit to this new organization, that they move the unit in its entirety, so as not to compromise the administration of the BID function in the city.
- Sarah Besley attended the City Clerk's Best Practices Seminar on March 13, 2013.

## Hollywood Property Owners Alliance

### Annual Limits & Year-To-Date Totals Quarter Ending March 31, 2013

BUDGET LINE ITEM	ANNUAL BUDGET	REVENUE TO DATE	AMOUNT SPENT 1st QTR	AMOUNT YEAR-TO-DATE	PROJECTED SPENDING FOR REMAINDER OF THE YEAR	EXPLANATION OF VARIANCE
Assessment Income	3,518,182	1,562,334	-	-		
City Fees	35,414		35,414	35,414	-	
Contingency	51,048		371	371	50,677	
Administration	207,990		42,621	42,621	165,369	
Security	1,650,000		330,363	330,363	1,319,637	
Maintenance	1,097,016		261,575	261,575	835,441	
Personnel	384,426		92,986	92,986	291,440	
ED&C/Marketing	120,000		6,679	6,679	113,321	
<b>TOTAL</b>	<b>3,545,894</b>	<b>1,562,334</b>	<b>770,009</b>	<b>770,009</b>	<b>2,775,885</b>	

**Other income (not included above):**

DWP Grant	-
Penalty	4,626.80
Interest-LA City	3,364.18
Interest-other	165.02
<b>Total other income 1st Quarter 2013</b>	<b>8,156.00</b>